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C O N F I D E N T I A L SECTION 01 OF 03 COLOMBO 000381

SIPDIS

DEPARTMENT FOR SA, SA/INS; NSC FOR E. MILLARD

LONDON FOR POL/RIEDEL

E.O. 12958: DECL: 03-06-13
TAGS: PGOV PINS PTER PHUM PINR CE
SUBJECT: Adviser to president indicates that PA party
and radical JVP are inching closer to pact

Refs: (A) Colombo 280; (B) Colombo 175

- (U) Classified by Ambassador E. Ashley Wills. Reasons 1.5 (b, d).
- 11. (C) SUMMARY: The Ambassador met March 5 with Ronnie De Mel, a close adviser to the president and a senior MP. In a change of tune from a previous meeting, De Mel indicated that a formal linkup between the PA and the radical JVP party was a real possibility and could come soon. If it happened, elections were also a possibility. The Ambassador urged great caution in working with the JVP given its anti-peace process, anti-economic reform views. De Mel's comments heighten our concern that the domestic political situation may be in for some flux, with negative implications for the peace process. END SUMMARY.

PA-JVP Linkup: Inching Closer

- 12. (C) On March 5, Ambassador Wills met with Ronnie De Mel, a close adviser to President Kumaratunga and a senior MP in her People's Alliance (PA) party. (Note: For additional bio-data on De Mel, a long-time Sri Lankan politician with a colorful past, see Ref B.) When queried, De Mel -- in a decided change of tune from a previous meeting -- indicated that a formal alliance between the PA and the Sinhalese extremist Janantha Vimukthi Peramuna (JVP) party was a real, near-term possibility. (Note: In a late January conversation, De Mel had downplayed the possibility of such a linkup -- see Ref B.) De Mel confirmed that representatives from the Sri Lanka Freedom Party (SLFP), the key constituent element in the PA, were meeting virtually every week with the JVP in an attempt to hammer out a memorandum of understanding.
- 13. (C) While noting that he was not personally involved in the talks, he said he understood that progress was being made in putting together an agreement. That said, he had heard that major sticking points remained, and involved peace process and economic reform issues. These were problematic, complex issues, and it was not at all clear whether the two sides could reach agreement on how to handle them. If differences were bridged, however, it was possible that an agreement could be concluded within weeks, but probably not before May. On this point, De Mel added that the president had given him the green light to go on vacation for the next eight weeks, telling him that she doubted any urgent matters (i.e., announcement of a PA/JVP pact) would arise in that timeframe.
- 14. (C) As for his own views, De Mel indicated that he could accept a PA/JVP linkup under the right circumstances, e.g., provided the JVP agreed to support the peace process and economic reforms. Asked whether any PA MP's might cross-over to the United National Party (UNP) government if a pact with the JVP was reached, De Mel shrugged his shoulders, commenting that it all depended on whether the outlines of an agreement were acceptable to party members. (Note: In Ref B conversation, De Mel had claimed that up to 25 PA MP's might be prepared to work with the UNP under the right circumstances.) He added that he personally preferred the idea of the PA's joining in an alliance with the UNP. The latter idea, however, did not seem likely to go anywhere: President Kumaratunga and UNP leader Prime Minister Wickremesinghe could not get along with each other in any way, shape, or form. The Ambassador remarked that we had noticed that unfortunate fact.

Ambassador's Words of Caution

15. (C) The Ambassador noted that Sri Lanka was a democracy and as such the U.S. took no view on its internal matters. That said, he urged the PA to

exercise great caution in working with the JVP given its stridently anti-peace process, anti-economic reform views. A PA-JVP alliance could have a profoundly negative impact on the peace process. The Tamil Tigers, for example, could end the talks, pointing to the PA/JVP alliance as the reason. In this sense, a PA/JVP alliance could be a gift to the LTTE, which could plausibly argue that the Sinhalese could not be trusted. International sympathy for the LTTE, in other words, could accrue in the event of a PA/JVP pact.

16. (C) Underlining that she had the final say regarding the nature of any agreement with the JVP, De Mel replied that he was certain that President Kumaratunga would not agree to anything that undermined the peace process. She had always been in favor of peace and remained committed to ethnic reconciliation. The Ambassador agreed that that was the case, but JVP extremism had to be dealt with very, very carefully. De Mel replied that the SLFP had had success in the past in "taming" and subsuming left-wing parties. Many in the party felt that the JVP could be handled and controlled in a similar manner. In any case, it was doubtful that the JVP would push for cabinet positions if there were an election in which a PA/JVP combination won. (Note: As a matter of background, the PA and JVP briefly entered into a governing pact in late 2001. The JVP turned down ministerial positions in that short-lived government.)

Elections?

17. (C) Queried about the possibility of new parliamentary elections if there were a PA/JVP linkup, De Mel responded that it was a possibility, although no decisions had been reached. He noted that there were some in the PA who felt that the party could defeat the UNP government with the addition of JVP support. De Mel said he tended to agree with this view, noting that the PA's and JVP's combined vote had slightly surpassed that of the UNP in the December 2001 election. (Note: On the numbers, De Mel is correct: the UNP and allies received 48.1 percent vs. the PA's 39.2 percent and the JVP's 9.5 percent, which equaled a total of 48.7 percent. FYI: After their short-lived government collapsed in late 2001, the PA and JVP ran different slates of candidates in the December 2001 election, dividing their combined vote in constituencies. End Note.) The PA's alliance with the radical JVP might cost it some support among the middle class, but probably not too much. In any case, he continued, the UNP government was rapidly losing popularity. People --especially in rural areas -- were angry at cost of living hikes and were eager to take it out on the government. Prime Minister Wickremesinghe was a clever politician, who knew how to use the press, but he was indecisive and people were seeing through him.

COMMENT

- 18. (C) De Mel -- who chooses his words carefully and is in a position to know -- was clearly signaling that work on a PA/JVP pact was proceeding quickly and that something potentially could be announced soon. This was a far cry from his previous comments to the Ambassador, which indicated that things were moving much more slowly. (Note: FYI. We doubt De Mel's calculus that such a linkup would easily defeat the UNP if an election took place soon. While the government might be losing some popularity due to economic problems, we think it remains relatively strong.)
- 19. (C) His comments heighten our concern that the domestic political situation could be in for some flux. We cannot see how a PA/JVP linkup, if it comes to pass, could be good news for the peace process. Not too far underneath the surface of its leftist rhetoric, the JVP is a Sinhalese extremist party and Tamils know that. One can only guess at the reaction of the Tigers, but, given their volatility, they could in a worst case scenario use such a pact as a pretext to end the peace process. At this point, we do not think it is time to hit the panic button, but the U.S. needs to monitor the situation carefully, while cautioning actors on the need to proceed with Sri Lanka's larger national interests in mind. We might consider enlisting others in the international community (UK, India) to make a similar case if present trends continue. END COMMENT.
- 10. (U) Minimize considered.